

CHAPTER 4

Necessary Steps: Diplomatic, Political, and Contractual Preparations

February–December 1979

Ordinarily we would do the design and go and get somebody to build them—hopefully under a fixed-price contract.

Lt. Gen. John W. Morris¹

If I were the contractor, I would hate like hell to be in Israel three years from now if it isn't done on time.

Maj. Gen. James A. Johnson²

Most of December 1978 and January 1979 passed with no new developments for the program, but the pace picked up before the end of winter. Late in February, with talks between the United States and Israel expected to start soon, Deputy Assistant Secretary of Defense for Installations and Housing Perry J. Fliakis said the Defense Department would assign the construction mission to the Corps of Engineers. Normally, the Department of the Navy served as the Department of Defense construction agent in the Middle East, but the Corps had participated in the site surveys and had more people with the skills required for this kind of program.³

Before official word of the mission came, the Corps assumed that it would get the job and planned accordingly. Carl Damico estimated that \$5 million would start the job and sustain it until Congress appropriated funds. General Burnell in Washington told General Johnson in New York to continue planning and authorized him to make a list of potential prime contractors. On 16 March Deputy Secretary of Defense Charles W. Duncan formally designated the Corps as the Department of Defense's construction agent for the Israeli air bases. He explained the choice on the basis of the involvement of the Corps in site surveys, its personnel resources, and its development of an approach to construction. In

other words, aggressive planning efforts helped assure that the Corps got the work. He also directed the Department of the Air Force to act as program manager and liaison with the Israeli Air Force.⁴

Even with that settled, many issues required resolution before work could start. Foremost among them was peace between Israel and Egypt. At Camp David they had only agreed to agree. A formal treaty was yet to be signed. Israel and the United States would also have to make a formal agreement that spelled out mutual obligations and responsibilities within a construction program. Matters within the United States required settlement as well. Congress would have to provide money, the Corps and the Air Force would have to devise a working arrangement, and contractors would have to be chosen. Then there could be construction.

In the early spring of 1979 final negotiations over the contents of a peace treaty started in Washington. Officials from Egypt and Israel worked out details with the Americans. On 15 March Weizmann, Brown, and Secretary of State Cyrus Vance started a series of talks. Between these meetings, Deputy Assistant Secretary of Defense for International Security Affairs Robert J. Murray chaired a discussion on the findings of the survey team that had visited Israel the previous autumn. The conference also considered the possible terms of an agreement between the United States and Israel concerning construction.⁵

A week later detailed talks on the bases started in Tel Aviv. The American delegation consisted of a team from the embassy and a Department of Defense group led by Lt. Gen. Ernest Graves and General Hartung. Graves was a logical choice for the mission. As director of the Defense Security Assistance Agency, he worked directly for McGiffert, managing a military aid program that included sales, training, and financial support. His duties included liaison with American weapons manufacturers and the governments that bought their wares. He also had a long-standing familiarity with military construction and the Corps of Engineers and had spent three years in the Office of the Chief of Engineers, first as director of civil works and then as deputy chief of engineers under Morris. Five of the Americans with Graves represented the Corps. Fred McNeely and Carl Damico from the construction division, attorney Randy Head, and General Wray's secretary, Nancy Saunders, came from Washington. North Atlantic Division sent Ozzie Hewitt, the resource manager. On their first day in Israel, Graves and his team described their funding concept and proposal for project management at the embassy. Ambassador Samuel Lewis' staff promised full support and assistance.⁶

After the initial discussions at the embassy, the Americans and a Ministry of Defense team met several times over the next week. The Israeli government apparently attached considerable importance to the talks. Deputy Minister of Defense Mordechai Zippori led a delegation that included Director-General Yosef Ma'ayan of the ministry and the commander of the Israeli Air Force, Maj. Gen. David Ivry. The construction department of the ministry and the air force's construction division also participated. Representatives of the Ministries of Finance, Interior, and Foreign Affairs also attended, as did the Water Commission.⁷

Zippori welcomed the Americans warmly. He emphasized Israel's commitment to peace and the risks involved in the withdrawal from the Sinai and expressed confidence in the outcome of the air base project. He saw the bases as important to the defense of Israel but thought they would also "contribute in many ways towards the well-being and the defense of the Western world." He noted that Israel had always "succeeded with our airfields quite nicely," but he expected the new ones to be "much better than those we have done by ourselves." When he finished, Ma'ayan wanted to hear the American presentations. First, Richard Viets, charge d'affaires in the absence of Ambassador Lewis, emphasized the strength of the American commitment to the program. The participation of an officer of Graves' rank and the high caliber of his team confirmed this dedication. "I can assure you," Viets said, "that everyone in the U.S. government who has anything to do with this project fully understands its importance to all of you." He was certain that American efforts would meet Israeli expectations.⁸

With the pleasantries over, Graves turned to his agenda. "We have come here," he began, "to give you the results of the study effort that we have made to date on these airfields, and second, to sit down with you and work out the agreement between us as to how we will carry out this work." All told, his team would make four presentations, starting with Hartung's discussion of the survey team report. Hartung reviewed the assumptions on which both countries agreed. Normal construction procedures would not produce an initial operating capability, defined as the ability to fly and fight from the new Negev bases, within three years. The fast-track approach provided the only hope. Hartung explained that this method required concurrent design and construction. It involved an unusually large amount of heavy construction equipment on the work site, especially with two bases under simultaneous construction. He estimated the premium cost of fast-track construction at 25 percent.⁹

The Israelis wanted three bases from which a total of five squadrons, each with thirty aircraft, could operate. They had already chosen three Negev sites. One of these, Tel Malhata between Beersheva and Arad, presented serious problems. The Bedouin residents of the area claimed that the government intended to take their lands without fair compensation, and Hartung correctly sensed that the Israelis should focus their efforts on the other two sites. He also urged limiting the scope of the program to facilities for four squadrons. An attempt to provide more would involve a high risk of failure.¹⁰

Hartung and the survey team had considered a number of combinations for American and Israeli participation in the program. They rejected an arrangement by which the Israelis would design and construct the bases with American advice on fast-track procedures. Experience had shown them that those who actually managed the work should have experience with fast-track construction. The team concluded that the normal American approach, with Air Force program management and Corps of Engineers construction, would serve best. As Hartung saw it, success depended on limiting design work as much as possible to replication of facilities at the Sinai bases and their adaptation to the new sites.¹¹

The Israelis listened patiently to the presentations. Damico gave a preliminary version of the schedule and work sequence, trying to estimate the effort and resources needed. He urged rapid development of engineering criteria and a master plan that laid out the project. Like Hartung, Damico considered "the biggest thing in fast track" to be control. "You can spend a lot of money in fast tracking," he cautioned, "and get absolutely no work done if you don't monitor this carefully." After Graves explained the U.S. intention to provide \$800 million for the job, Hartung again took the floor. Although his topic was the management concept—"an agreed pattern of relations between the U.S. people and the Israeli authorities," as Graves put it—he reemphasized the need for close supervision. "Mistakes will be made on this program," he said, "and the most important thing is that we discover them early."¹²

Only one consequential issue emerged from this session. Even before the speakers finished, Ma'ayan saw the major source of potential disputes. "The way you have presented your thoughts," he told Graves, "is that you will have almost complete authority." Ma'ayan wanted the division of management between the two countries clarified but was willing to leave the matter unsettled pending talks on the details of an agreement.¹³

After a recess for the Israeli sabbath, the delegations met again. This time senior Ministry of Defense officials and embassy represen-

tatives did not attend but left the detailed discussions of budgetary management and program authority to the ministry's commanders, engineers, economists, and lawyers. The Israelis acknowledged the American "authority and responsibility to construct the air bases in the framework of an agreed budget, agreed timetable and adequate quality," but insisted on a clear role in management. "MOD being the user of the air bases," they asserted, "reserved the right to exert during the process of construction control of the budget, timetable, and quality at milestones that will be agreed upon." Another issue also began to emerge. General Lapidot's service was studying a new design for the aircraft shelters. He hoped for timely conclusion of the plans but acknowledged that delays were possible. Col. Menachem Friedman of the Israeli Air Force's construction division expected the new drawings in six months.¹⁴

When the group reconvened on the twenty-sixth, the discussion returned to the question of project control. The Israelis reiterated their interest but softened their position. Instead of seeking participation, they wanted to influence management. "It is clear to us," N. Gurel of the Ministry of Defense construction department said, "that you are giving all the instructions to the contractors and you are doing all the supervision." Still, he said, "We have to find a way through your people to give some remarks and influence the work."¹⁵

Gurel also turned to the question of procurement within Israel. He acknowledged the scarcity of construction labor and equipment, which underlay the decision to bring both into the country, but distinguished between the saturated construction sector of the economy and other areas. Some production items, such as air conditioners and plumbing fixtures, would be available as would engineering and architectural consultants. They could do the design locally, Colonel Friedman suggested, to the benefit of all concerned. Hartung reminded them that "the ideal situation would be if you could give us as-builts for everything there."¹⁶

So the talks clarified some significant points. In program management the Israelis appeared inclined to accept an arrangement that permitted influence on construction decisions rather than participation in them. In the area of design they were moving away from the idea of widespread replication of facilities, which Hartung preferred, to new design by Israeli architect-engineers. This was most evident regarding aircraft shelters. All outstanding disputes were minor enough that both sides were willing to start preparing a formal agreement.¹⁷

With the issues close to being resolved, Graves explained the financial situation. The program needed \$5 million immediately so the Department of Defense could send a team to Israel to work on

the plan and pay contractors to begin assembling their organizations. He suggested that Israel provide this sum through a foreign military sales case processed by his agency. In other words, Israel would borrow the money from the United States to pay for the start of the work. The money would carry the program about sixty days, from mid-April to mid-June. By then Congress would have approved the grant, giving the program its own financial base.¹⁸

On the same day, 26 March, Israel and Egypt signed their treaty. It was a day, Ezer Weizmann said, when "the chill of winter . . . receded before the pale sun."¹⁹ At a brief ceremony in Washington the two governments reaffirmed their adherence to the Camp David framework and ended a long-standing state of war. In annex I to the treaty, the "Protocol Concerning Israeli Withdrawal and Security Agreements," Israel agreed to a complete withdrawal from the Sinai within three years of the exchange of ratifications. A memorandum of agreement appended to the treaty expressed American willingness to consider Israeli needs for military and economic help, "subject to congressional authorization and appropriation."²⁰

Meanwhile, McNeely told Morris' office of the situation in Tel Aviv. He expected that the \$5 million would be available in ten days and urged award of letter contracts at that time for site investigations. Hartung, he said, would lead a team to Israel in April to work with the host government on design needs, program development, and a cost estimate. Hartung already had chosen ten Air Force officers. The team needed two members from the management support contractor and several more from the Corps of Engineers. The most important would be the colonel who would be Hartung's deputy on the team and who would stay in Israel. McNeely wanted thirteen others, in a variety of specialties, and stressed that only those who were likely to stay with the program should be chosen. Continuity was important.²¹

With the work finished, McNeely had time for shopping and sightseeing. Palestinian terrorists were active that spring—a grenade had exploded in a Jerusalem restaurant during the delegation's first days in the country. But such incidents did not keep the Americans from touring when work allowed. McNeely, Damico, and Saunders window shopped on Tel Aviv's busy Dizengoff Street. When Saunders went into a shop, the others waited outside. While they chatted, a black van pulled up and four denim-clad men jumped out. Swiftly but with care, they swarmed over a parked truck loaded with cardboard boxes. The Americans watched as one man lifted the hood and peered inside, another unlocked the door, the third slipped under the vehicle, and the fourth examined the cargo. "All of a sudden," McNeely recalled, "Carl looked

at me, and I looked at him. It dawned on us: this was the bomb squad." They ran into the shop, found Saunders, "and took her to the back of the store in case it blew up." After the crew left, the three returned to the street.²²

While Saunders had her brush with the effects of the Arab-Israeli conflict on the streets of Tel Aviv, General Wray had his in Syrian air space. On the day of the signing of the treaty between Israel and Egypt, he was flying to Riyadh to inform the Saudi Arabian government of possible U.S. involvement in Israel. The multibillion-dollar Corps construction program in that country came under Wray's directorate, so he personally intended to inform the Saudi minister of defense and aviation of the situation. After straying over the Syrian missile belt, the American commercial aircraft was forced to land in Damascus, where it sat for nearly eight hours before being released. Wray made the rest of his journey without incident and returned home with assurance that the Saudi government was not unduly concerned about the involvement of the Corps with construction in Israel.²³

Within a week of the Americans' return from Israel, the major issues were settled and a formal agreement was complete. On 6 April McGiffert and Weizmann signed the "Agreement between the Government of Israel and the Government of the United States concerning Construction of Airbase Facilities." Primary responsibility rested with the U.S. Department of Defense. The agreement authorized the Americans "to perform in Israel all acts necessary to carry out and manage the work, including funds management and administration, engineering, construction, and program management." It spelled out only a few specific Israeli responsibilities, among them protecting the sites and providing utilities for the construction camps. Most tasks were left for inclusion in the "plan of work," which would also specify actual work requirements. However, the government of Israel did commit itself to "exert its best efforts to assist the government of the United States in the fulfillment of its responsibilities under this agreement." Both parties agreed to "share responsibility to assure the completion of all IOC [initial operating capability] construction" prior to the date set for the final withdrawal from the Sinai.²⁴

The document addressed but did not resolve the questions raised in negotiations. It specified that criteria and designs from the Sinai bases would be used or other mutually agreeable ones would be chosen. A cautionary note said that "any deviation from the Eitam and Etzion criteria and designs must not delay the accomplishment of IOC." The signers also took a flexible approach to procurement from Israeli sources. The overall premise re-

maintained the one reported by Hartung the previous autumn. The Israeli construction industry was "virtually saturated" and could not do the work without severe adverse economic effects. So labor, equipment, and materials would be imported. Within this context, each request for purchases within Israel, brought up by either party, would be examined on its merits. The criteria were availability, quality, cost, and timeliness.²⁵

Funding was covered in a separate agreement. If Congress approved, the United States would grant \$800 million in the form of "defense articles and defense services." Israel would provide the remainder from any source available to it, including credits and loans from the United States. The program would spend the American grant first.²⁶

Graves and his team were still in Tel Aviv negotiating these issues when the contractor selection process started in North Atlantic's office. The procedure represented a modification of the normal process for cost reimbursable contracts specified by regulations. Morris allowed the change because of the time constraints related to the program.²⁷ As McNeely put it, "It appeared like we had to run like hell with this Israeli thing."²⁸

Even the normal method for handling such a contract reduced the steps for contractor selection. In an environment so uncertain as to warrant a cost-plus contract, competition regarding fees and estimated costs did not apply. The only relevant competition involved the qualifications, capability, and experience of potential contractors. Such a competition assured the government of a contractor that could do the job and held out some promise of completion at a fair price. Regulations required the Corps to invite all reasonably available and basically qualified contractors to submit detailed capability proposals. The Corps provided a general scope of work, timetable, and list of special requirements. Based on this information, interested firms were expected to explain their respective mobilization plans, tentative construction schedules, and anticipated extent of subcontracting. Each also had to describe its management staff, equipment, financial capacity, current commitments, and home office support. For the government, a selection board assessed the proposals and interviewed potential contractors. The board listed three or more of the best prospects in order, with detailed justifications for their choices. After the convening authority—the commander of either an engineer district or division—and the chief's office approved the choices, negotiations with the highest ranking firm could begin.²⁹

Reminiscent of the methods used to select contractors for airfields and radar installations during the early days of the cold war,

the process authorized by Morris included more shortcuts.³⁰ A committee of North Atlantic Division specialists in engineering, architecture, construction, and management prepared criteria later used by a preselection board to decide which design and construction contractors were “reasonably available and [had] the basic capability to perform the work.”³¹ Within a day of receipt of the directive from Morris, the committee finished primary and secondary criteria. The most important requirement was experience in some aspect of similar work—cost-plus contracts, airfields, overseas construction, or combination design and construction projects.³² “After that,” Wray summarized, “we looked at the ventures’ current capabilities, the size of the firms in the ventures, and their present workloads.”³³ Secondary factors ranged from availability and interest to the size of home office support forces.³⁴

A separate committee set up criteria for a management support contractor. The primary standard was financial capacity, as determined by information from Dun and Bradstreet and *Engineering News-Record*. The others dealt with experience in aspects of the huge job, which included design review, quality assurance, and life support, and previous work for the Department of Defense and on cost-reimbursable contracts.³⁵

With criteria in hand, a preselection board under Lt. Col. Michael A. Jezior, deputy New York District engineer, compiled lists of potential contractors. The board made minor changes in the criteria, deciding to consider heavy or highway construction as equivalent to air base work and reducing the standard for financial responsibility from \$200 million in annual overseas sales to \$100 million. It also increased emphasis on heavy equipment, moving it from the secondary category to the primary. The initial list was based on a review of the top 400 construction firms listed in *Engineering News-Record* during 1975–1977. The board added companies that had expressed interest in the project, then cut the list to twenty, using data from Dun and Bradstreet as well as the selection standards.³⁶

Then the evaluation passed to separate boards, one for design-construction firms and another for the support contract. The boards ranked the firms on their respective lists before asking the top companies to submit proposals. A third selection board listed acceptable architect-engineer firms for use by whichever prime contractors might be selected.³⁷ This activity took place without the knowledge of potential bidders. The shortcut essentially reversed the standard approach, which required companies to take the first step, indicating their interest in the work by submitting a proposal. This method forced North Atlantic to take the initiative in deter-

mining which firms might be suitable and then asking them if they were interested.³⁸

The change did not please everyone. The decision not to advertise the contracts troubled Colonel Bazilwich. Although prompt action was critical, he thought potential bidders should have the chance to submit proposals. Even without an announcement, firms that had heard of possible work in Israel called North Atlantic. He believed that his office would have to deal with many protests if it made the selection without advertising.³⁹ Jezior also thought it a poor way to make the choice. Without prior expressions of interest, he could not be sure that his board was identifying firms that wanted the work. As it turned out, his board's first list did in fact name businesses that later failed to express interest. Moreover, compiling the list without public notice precluded forming new combinations of construction companies in response to this particular job.⁴⁰ Despite the misgivings, the process continued until halted in Washington. As Col. John E. Schweizer, Johnson's other deputy, explained, "I think everybody had sort of a natural reluctance but we all stood up and saluted and marched ahead."⁴¹

Despite the concerns, this procedure was well under way. Other actions proceeded more slowly. The most significant delays involved securing congressional approval of funds, which Graves had told the Israelis he hoped for by mid-June. Seed money was transferred to the Corps so that initial contracts could be written and site surveys could start. Congressional action was needed before the United States could provide the \$800 million grant. After that ran out, the Americans and Israelis agreed, Israeli contributions would be made as needed, normally quarterly and in advance of the quarter in which payments of obligations were due.⁴²

Three days after conclusion of this agreement, President Carter sent his proposal for aid in support of the peace treaty to Congress. The total package for Egypt and Israel, economic aid as well as military loans and grants, would cost \$4.8 billion, including 1979 appropriations of almost \$1.5 billion. Weizmann once had told the Egyptians that the United States "will foot the bill for the peace agreement."⁴³ Here was the tab. The 1979 appropriation included the \$800 million for the bases, which Carter singled out as particularly important. Israeli withdrawal from the Sinai and the peace itself depended on the availability of the bases. Carter hoped for "swift congressional action to enact the bill," to "demonstrate U.S. capacity to move quickly and decisively to support our friends in the Middle East."⁴⁴

At the same time that Carter sent his request to Capitol Hill, the chief's office reversed itself on the procedure for choosing

contractors. North Atlantic Division convinced headquarters that there would be time for a more customary method, with the program advertised in the *Commerce Business Daily*, the normal government vehicle for informing industry of available contracts. When the Corps made this decision, the selection process reverted to dependence on prospective bidders for initial expressions of interest. The change also laid to rest the concerns that had been expressed by Bazilwich and Jezior.⁴⁵

Two notices, one announcing the management support contract and the other listing the design-construction contracts, appeared on 13 April, only three days after the decision to alter the selection process. The management support notice specified that an advance party should be in Israel some time around 7 May. The other announcement expressed the intent to have construction under way in the summer, while acknowledging that "the actual date will depend upon congressional authorization and appropriation of funds for these facilities."⁴⁶

The Corps still contemplated a compressed procedure. A week after the notices appeared, North Atlantic hosted a briefing for prospective bidders at a New York ballroom. Over 350 representatives of 125 firms as well as journalists heard Johnson describe the job and the government-to-government agreement. He also explained the selection criteria. These standards, set up after talks with veterans of the construction program managed by the Corps in Saudi Arabia, were simpler than those on the original lists. Three years remained the period allotted for construction, although Johnson estimated that normal completion would require twice as long. He wanted management support proposals by 24 April, so the selection board could choose the top three for interviews and make a final choice by 4 May. He also asked for design-construction submissions by 1 May, for selection of the five best prospects by 7 May.⁴⁷

The Israeli government watched the unfolding of the process carefully. On the day of the New York briefing, Colonel Gilkey in Tel Aviv told General Johnson that the Israelis wished to participate in the selections. They did not want an Israeli firm under a false name in one of the joint ventures but were even more concerned that a company from an unfriendly nation, also under a pseudonym, might become involved. Johnson refused to allow Israeli participation, which he said would violate U.S. law. But he did inform the potential bidders at the meeting that the United States and Israel had agreed that all contractors had to be nationals of countries that had diplomatic relations with Israel. "We will not," Johnson told them, "pick somebody who is anathema to Israel."

Moreover, he reminded his audience, shortages and inflation in Israel were such that Israeli labor and materials would be used only when both governments agreed on the necessity. He also told Gilkey to assure the Ministry of Defense that the prime contractors would be American owned. Any possible Israeli subcontractors would be cleared through the ministry.⁴⁸

After the 20 April meeting, the selection process split into two separate evaluations, with the management support contractor chosen first. Jezior chaired the board that evaluated the twelve proposals submitted by the 24 April deadline.⁴⁹ His group chose the five best. A second board under Schweizer narrowed the choices to three. Schweizer's board picked a joint venture called Management Support Associates. The firm combined three companies: Lester B. Knight Associates, Inc., of Chicago; A. Epstein and Sons, International, Inc., also of Chicago; and New York-based Pope, Evans and Robbins, Inc. Johnson seconded the choice, explaining to the chief's office that Management Support Associates had "a well-balanced team of designers and construction managers." Johnson said the firm's practical knowledge of construction management, extensive use of its own personnel rather than people hired for this job, and its overseas experience in Israel and elsewhere all influenced the decision. Morris approved, and North Atlantic announced the selection on 7 May.⁵⁰

The competition for the management support contract provided a rare opportunity for firms partly or completely owned and managed by American Jews. At the time, the government of Saudi Arabia excluded such firms from the Corps' massive construction program in that country. A partner in one of the companies that bid unsuccessfully for the Israeli contract called this situation to the attention of New York Senator Jacob R. Javits. "Over the past several years," Jordan L. Gruzen of a joint venture known as GSCA wrote, "the Corps has been awarding vast amounts of contracts in Arab countries and firms such as ours have been denied the opportunity to participate in these programs." He thought the air base program gave the Corps "the opportunity to balance the scales." Javits forwarded the letter to the Department of Defense, commenting favorably on the firm's experience and ability but making no mention of the issue raised by Gruzen.⁵¹

The choice of Management Support Associates seemed to satisfy everyone. Johnson had noted the firm's ability to start quickly, and the joint venture did not disappoint him. In a matter of days, the contractor set up a liaison office in the Church Street building occupied by North Atlantic, advertised for engineers in the *Wall Street Journal*, and sent its first employees to Tel Aviv. Gilkey ap-

plauded the selection and had plenty of work ready. He passed the news to Ma'ayan, who also expressed his satisfaction.⁵²

Choosing the design-construction ventures followed the same lines. Twelve combinations of more than forty companies expressed interest. Some firms held back, fearing loss of possible work in Arab countries. Others seemed concerned about involvement in cost-reimbursement contracts, which limited profits as well as risks.⁵³ By 17 May the process was complete. After reducing the list to five, interviewing those, and getting approval from Washington, Schweizer's board picked two consortia.⁵⁴ Negev Airbase Constructors consisted of its sponsor, the Perini Corporation of Framingham, Massachusetts; the Harbert International, Inc., of Birmingham, Alabama; the Paul N. Howard Company of Greensboro, North Carolina; and designer Louis Berger International, Inc., of East Orange, New Jersey. The other venture, Air Base Constructors, was sponsored by the Guy F. Atkinson Company of San Francisco. Also participating were the Dillingham Corporation of Honolulu; Nello L. Teer Company of Durham, North Carolina; and designer Tippetts-Abbett-McCarthy-Stratton of New York. Both Perini and Atkinson had vast experience with large overseas projects and fast-track construction.⁵⁵

Completion of the selections did not end Israeli interest in them. An article in the English-language *Jerusalem Post* later claimed that the Perini Corporation actively participated in the Arab boycott of Israel and had opposed antiboycott legislation in the United States. Louis Berger International, part of the same consortium, came under fire from a Tel Aviv paper, which listed Berger's activities in Arab nations and questioned the wisdom of allowing a company with such contacts to participate in the design of an Israeli air base.⁵⁶ Perini successfully denied the claims; Berger ignored them.⁵⁷ The criticism did serve notice that the newspapers were paying attention.

The contractors and the government reached their agreement in letter contracts. These "written preliminary contractual instruments" authorized an immediate start.⁵⁸ The government used this type of agreement only when time was extremely limited. Regulations required replacing letter contracts with "definitive contracts at the earliest possible date."⁵⁹ Despite this initial agreement, much still had to be done: both parties had to prepare detailed estimates of job costs and negotiate the final contracts. But at least mobilization could start.

Financial issues remained open. The Corps waited impatiently for Congress to act while the seed money began to dwindle. McGiffert's office started work on an amendment to the foreign military

sales case for an additional \$10 million, which appeared adequate for operations until 15 July. By then Congress was expected to complete work on the appropriation. The Carter administration's Special International Security Assistance Act, which included the \$800 million for the bases, began making its way through Congress in mid-April. The Senate Foreign Relations Committee spent two days on the bill. Hearings before a subcommittee of the House Foreign Affairs Committee were also brief. Secretaries Vance and Brown and General Graves testified for the bill. Brown emphasized Israel's security needs during and after departure from the Sinai. The United States shared Israel's concern for its defenses. According to Brown, passage of the bill was necessary to assure a timely Israeli withdrawal while preserving its military capability.⁶⁰

Graves testified before the House Subcommittee on Europe and the Middle East with one eye on his watch. Appearing the day after the treaty went into effect, he told the members that "the clock is starting to tick and we have but three years to carry out a massive effort in assisting Israel in its relocation." The Corps, he said, "was very aware of this fact" and "most anxious to receive the authority from Congress to proceed." He also explained why normal contracting procedures could not be used: time was so short that concurrent design and construction were required. In addition, little was known about the actual facilities that would be built. He estimated that a competitive procurement would add a year to the program, because a detailed scope of work and design would have to precede bidding. "You cannot," he told the subcommittee, "have a competitive bid unless the man knows what he is bidding on, because he could not come up with a price."⁶¹

Both houses approved the bill without serious opposition. They sent the measure authorizing the expenditure and appropriating the entire amount to the president in July. President Carter signed it on the twentieth, ending the program's dependence on foreign military sales funds.⁶² Another law, signed five days later, authorized the Corps to enter into the contracts needed to carry out the mission.⁶³

As the bill became law, the Corps and the Air Force were reaching a definitive understanding about their respective program roles. Such an agreement required a formal memorandum of understanding. The Department of the Army, as represented by the Corps of Engineers, and the Department of the Air Force held divergent views about management responsibilities, especially regarding control of program funds. These opposing ideas crystallized during negotiations that started in May 1979 and continued until the end of July. The Air Force started the discussion over the

roles it and the Corps would play. Antonia Handler Chayes, the assistant secretary of the Air Force for manpower, reserve affairs, and logistics when the negotiations got under way, claimed that the Duncan memorandum of 16 March had not clarified sufficiently each agency's responsibilities. A Boston attorney who became the first woman to serve as under secretary of any of the armed forces when she moved up to be under secretary of the Air Force in July, Chayes wanted a clear statement of Air Force authority and responsibility for managing the air base program. She sought this through designation of the Air Force as the Department of Defense executive agent.⁶⁴

Others agreed with Chayes on the need for clarification of responsibilities. McGiffert thought either the secretary of the Army or the secretary of the Air Force should have charge of the program. Graves also saw the need for a single command but thought it should rest with the secretary of the Army. Timely completion, he argued, depended mainly on effective management by the Corps of Engineers.⁶⁵ Graves outlined all three perspectives for Morris by sending his former boss three versions of a draft memorandum clarifying program relationships. One, reflecting the Chayes position, gave overall direction to the Air Force and gave Hartung control of all construction funds for provision to the Corps as needed. The other two did not mention control of the money. One placed the program manager under Graves' office; the other assigned the program to the Department of the Army.⁶⁶

Graves shared the general view that Hartung made an ideal program manager, but he thought it unnecessary and undesirable to put the secretary of the Air Force in charge. The Air Force's major responsibility, Graves thought, was to act as liaison between the Corps and the user, working with the Israelis to adjust the plan of work as warranted by changing needs, schedule slippage, cost growth, or problems with quality.⁶⁷ In any case, Hartung had direct access to the Air Force Directorate of Engineering and Services for help with technical and administrative matters. Major issues and disputes with the Israelis would go to McGiffert or Graves. So perhaps the Defense Security Assistance Agency was the right place for the program. On the other hand, while Hartung might need occasional help from Graves or McGiffert, the Corps required broad support from the Department of the Army. Graves thought success could depend on prompt and effective responses in a number of areas, including contracting, transportation, personnel, labor relations, and financial management. With the predominant support effort within the Army, perhaps that service should run the job. Graves thought the issue important enough to tell Morris

that "the Secretary of the Army may have to weigh in at some point."⁶⁸ Morris responded quickly. He sent the draft memorandums and related papers to Secretary of the Army Clifford Alexander. Morris was satisfied with Duncan's assignment of responsibilities. But if clarification was needed, he would support Graves' position and recommend a program management office under the Defense Security Assistance Agency.⁶⁹

While Morris staked out his position with the help of Graves, Fliakis asked the Army to draft a memorandum of understanding. He chose the Army, he said, because he wanted the document to focus on execution of construction. Other Department of Defense agencies also had interests, so he asked that the draft include formats and schedules for progress reports. His own office would monitor development of the agreement to ensure consistency with the original assignment. With these instructions in hand, Morris reconsidered his stand on the relationship of the Corps and the Air Force. He changed his mind about placing program management under Graves and decided that the secretary of the Air Force was a more logical choice. Such an arrangement would permit use of procedures familiar to all with experience in Corps military construction for the Air Force.⁷⁰

Morris sought two critical changes to the conventional relationship. First, he wanted the program manager excluded from control of contract administration or construction supervision. In other words, the chain of command for construction would flow from the sites through Corps channels to Morris, Alexander, and Brown. Essentially, Morris envisioned an arrangement that would put the Air Force in apparent control with largely liaison duties while vesting real power in the Corps of Engineers. He also wanted the secretary of defense to give program funds directly to the Army. Morris knew that money was the key to control of the program. Also, Burnell and Johnson had urged him to assure that the Corps controlled construction funds. Morris "thought it was critical" and intended to do just that. "If I was going to be responsible for building the airfields," he said, "then I would need the money." Time was short, and recurrent requests for more funds could slow work. If such delays sent the program past the deadline of 25 April 1982, the Corps would get the blame. "In the final analysis the only agency . . . that was going to get held up by the thumbs if the job didn't get done on time was the construction agency." Morris told Wray to use this framework as guidance for future talks with the Air Force.⁷¹

Within the Corps, aversion to Air Force involvement in financial management was widespread. Theodore Henningsen of Morris' procurement office asked whether such participation would

hamper the program. Money provided leverage for arbitrary control. Moreover, funding through another party could become an administrative burden and delay payments to contractors. Resultant cash-flow difficulties might harm contractor performance. If the Corps had to live with such an arrangement, the office had to devise detailed procedures. These would provide the only defense against the stifling effects of a bureaucratic review and approval process. North Atlantic Division heartily endorsed these views. Its own draft of the agreement strictly limited the Air Force role. Johnson's office wanted deletion of all references to Air Force involvement in organizing, directing, and controlling the program. The New York office wanted the Air Force limited to coordination and liaison with the Israelis. Graves' office should provide the Corps with instructions and all of the program funds at once. That was sufficient; the Corps would do the rest.⁷²

The Corps version of the agreement reflected this insistence. Wray sent a draft memorandum through Army channels to McGiffert. This rendition gave the Corps control of construction, with Defense Security Assistance Agency providing all of the money directly to the Corps at the outset. Adopting the Air Force position, Wray argued, would provide "another layer of management that could adversely affect an already critically condensed program."⁷³

The Air Force's position still contrasted sharply with that of the Corps. Chayes remained convinced that the Air Force's designation as executive agent with control of the money enhanced prospects of timely completion. Her department envisioned a management office staffed jointly by Air Force and Corps people under Air Force direction. This office would set and carry out policies and procedures and manage the work itself. The funding arrangement would resemble the normal military construction relationship, with the Air Force releasing money as the Corps needed it. By July Chayes was showing her frustration. She urged McGiffert to "get on with this." She expected that "the project itself will produce plenty of problems," and saw "no need to compound [them] by permitting bureaucratic arguments."⁷⁴

Graves sent the latest expression of the Air Force position to Morris. Brig. Gen. John F. Wall, Wray's deputy in military programs, reviewed the package. Wall opposed designation of the Air Force as executive agent and indicated that a compromise paragraph on funding, already agreed upon by Graves and Maj. Gen. William D. Gilbert, the Air Force's director of engineering and services, was acceptable. The compromise stipulated that the Corps would get its construction money from the Air Force, but that the Air Force would "promptly provide all . . . program funds directly

to the construction agency together with such instructions as may be appropriate.”⁷⁵

On 11 July Morris took this solution to his meeting with Fliakis. After discussions with Fliakis, the Corps, and Defense Security Assistance Agency, the Air Force accepted this face-saving compromise. The memorandum deleted the word “promptly” but otherwise adopted the same wording. Ostensibly neither service got its way. They agreed that the Air Force was “responsible for overall program management.” Beyond that, the agreement listed numerous specific duties. Most of these were coordination and review functions. They did include two very important missions, liaison with the Israelis and site activation. The Corps, on the other hand, was “responsible for execution of the design and construction of the air bases and their facilities.” Moreover, “direction and control of the contractors [would] be by the CE contracting officer.” The Air Force would manage the air base program, but within that program the Corps would run a construction project.⁷⁶

One aspect of the ground rules remained unclear. Normal construction programs operated in a restrictive context. Various laws set cost accounting standards, limited procurement authority for data processing equipment, and stipulated complex procedures for soliciting bids on contracts for architect-engineer services.⁷⁷ All parties felt that some relief was necessary.⁷⁸ Waivers awaited issue of an executive order by the president. Congress already had expressed its support of such an order in the Special International Security Assistance Act.⁷⁹ Some months passed while the draft order moved through various agencies, among them the Department of the Army, the Office of Management and Budget, and the Department of Justice. All the while there seemed no doubt that the order would be issued. Certainly the program was off and running in Israel. Design firms had been hired without concern for some of the restrictions or notification requirements still to be waived. In December President Carter granted the exemptions and completed the authorization package.⁸⁰

Notes

1. *Army Times*, 20 Aug 79.
2. *ENR* 202 (26 April 1979): 10.
3. Memo, DASD (I&H) Perry J. Fliakis for DASD (ISA) Robert J. Murray, 22 Feb 79, sub: Israeli Airfield Construction, METG files.
4. Ltr, Fliakis to Murray, 14 May 79, sub: Seed Money for the Israeli Airbase Program, METG files; Ltr, Maj Gen Bates C. Burnell, Acting Chief of Engineers, to NAD, 15 Mar 79, sub: Design and Construction Mission, Israel, IABPC, 10/9; Ltr, DSD Charles W. Duncan to the Secretaries of the Army, Navy, and Air Force, 16 Mar 79, sub: Construction Agent Assignment, METG files.
5. Program for the Visit of the Honorable Ezer Weizmann, Minister of Defense, Israel, 15–17 Mar 79, METG files.
6. Telex, USDAO Tel Aviv to OSD for ASD (ISA), 23 Mar 79, sub: Israeli Airbase Negotiation Team, METG files; Transcript, Meeting of U.S. Delegation on Air Fields, Headed by General Graves, with Israeli Delegation, Headed by Deputy Defense Minister Zippori (hereafter cited as Transcript, Meeting with Graves Delegation), 23 Mar 79, Tel Aviv, IABPC, 40/5; DOD Directive 5105.38, *Defense Security Assistance Agency (DSAA)* (Washington, D.C.: OSD, 10 Aug '78); *Who's Who in America, 1982–1983*, 2 vols. (Chicago, Ill.: Marquis Who's Who, 1982), 1: 1285.
7. Transcript, Meeting with Graves Delegation, 23 Mar 79.
8. Ibid.
9. Ibid.
10. Ibid.; Lesley Hazelton, "Forgotten Israelis," *New York Review of Books* 27 (29 May 1980): 44; (Tel Aviv) *Ma'ariv*, 17 Feb 80; (Tel Aviv) *Ha'aretz*, 23 Dec 80; Ian Lustick, "Israel's Arab Minority in the Begin Era," in Freedman, ed., *Israel in the Begin Era*, p. 131.
11. Transcript, Meeting with Graves Delegation, 23 Mar 79.
12. Ibid.
13. Ibid.
14. Transcript, Meeting with U.S. Team on New Airfield Construction, 25 Mar 79, IABPC, 40/5.
15. Transcript, Meeting with U.S. Team on Air Field Construction, 26 Mar 79, IABPC, 40/5 (hereafter cited as Transcript, Meeting with U.S. Team, 26 Mar 79).
16. Ibid.
17. Ibid.
18. Ibid.
19. Weizmann, *Battle for Peace*, p. 382.
20. The treaty and clarifying documents are included after page 330 in Sachar, *Egypt and Israel*.
21. Telex, USDAO Tel Aviv (Frederick B. McNeely) to DAEN-MPC, 26 Mar 79, sub: Israeli Airbase Program Development, IABPC, 5/8. McNeely asked for 14 people, 4 by name: 1 construction manager (Carl Damico), 2 estimators (Ronald J. Hatwell and 1 other), 1 design specialist (T. R. Wathen), 1 scheduling specialist (Donald P. Samanie), 1 project manager for engineering, 2 mechanical engineers, 2 electrical engineers, 2 civil engineers, and 2 paving and soils engineers.
22. McNeely interview, Sep 83.
23. Maj Gen William R. Wray comments on draft MS.
24. David E. McGiffert and Ezer Weizmann, Agreement between the Government of Israel and the Government of the United States concerning Construction of Airbase Facilities, 6 Apr 79, IABPC, 8/4 (hereafter cited as Government-to-Government Agreement).

25. Ibid.; Memo, Brig Gen Paul T. Hartung for Maj Gen William D. Gilbert, 30 Nov 78, sub: Methods of Accomplishing/Managing Israeli Air Base Construction, IABPC, 89/3.

26. McGiffert and Weizmann, Agreement between the Government of Israel and the Government of the United States concerning Funding of Airbase Construction, 6 Apr 79, IABPC, 8/4.

27. Ltr, Lt Gen John W. Morris to Maj Gen James A. Johnson, 20 Mar 79, sub: Negotiation of Cost-Type Contracts for Construction in Israel, IABPC, 1/1.

28. McNeely interview, Sep 83.

29. ER 415-345-230, *Construction: Negotiation Regulation for Cost-Plus-A-Fixed-Fee Construction Contracts* (Washington, D.C.: OCE, 1 Oct 67), pp. 3-4.

30. McNeely interview, Sep 83.

31. ER 415-345-230. The committee consisted of Charles Schroer and Alfred Lellis of NAD's construction division, attorney F. H. Cawood, and three people from the engineering division: Joseph Sullivan, W. D. Stockman, and Robert E. Levy.

32. After experience, the five primary criteria were financial capacity, based on Dun and Bradstreet and *ENR* data; capability to manage a \$200-million-per-year project at a remote site; proven ability to meet completion dates; home office support; and being an American firm. Criteria for Contractor Selection: Primary Selection Considerations, 21 Mar 79, IABPC, 1/1.

33. *ENR* 202 (24 May 1979): 40.

34. The ten secondary criteria were availability and interest in the work area; experience in quality control, safety, procurement of labor and materials for overseas work, and meeting budget targets; ability to obtain bond for 50 percent of the project amount or 50 percent of the prime contractor's direct involvement; current future contract commitments; life support, an operational management system, and participation by senior members of the firm with ten or more years at management level; ready availability of a relatively new crushing plant, concrete plant, and heavy equipment for moving earth and paving and ability to perform repairs on site; ability to start design within twenty days and start work on site within sixty days; prior association with reliable and financially stable subcontractors; availability of a computer system, a record of meeting completion dates, critical path management; and home office support. Criteria for Contractor Selection: Secondary Considerations if Available, 21 Mar 79, IABPC, 1/1.

35. Selection Criteria for Management Assistance Contractor, n.d., IABPC, 1/1. The committee consisted of Louis Pinata, chief of construction division, New York District; Angelo Tomasetti, Jr., chief of the military projects management branch, New York District; and C. J. Dow, chief of the procurement and supply division, Baltimore District.

36. Memo, Lt Col Michael A. Jezior, Chairman, Pre-Selection Board, for Division Engineer, 31 Mar 79, sub: Pre-Selection of Firms for the Construction of Airfields in Israel, IABPC, 6/1.

37. Ibid.

38. Ltr, Morris to Johnson, 20 Mar 79.

39. Bazilwich interview.

40. Interv, author with Lt Col Michael A. Jezior, Jan 80, New York City; McNeely interview, Sep 83.

41. Interv, author with Col John E. Schweizer, Jun 80, Falls Church, Va.

42. U.S. DOD Offer and Acceptance FMS Case IS-B-HAA, 20 Mar 79, METG files; Transcript, Meeting with U.S. Team, 26 Mar 79; McGiffert and Weizmann, Agreement . . . concerning Funding of Airbase Construction, 6 Apr 79.

43. Ltr, President Carter to Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives, 9 Apr 79, in U.S. Congress, House of Representatives, *Special International Security Assistance Act of 1979. Communication from the President of the United States Transmitting a Draft of Proposed Legislation to Authorize Supplemental International Security Assistance for the Fiscal Year 1979 in Support of the Peace Treaty Between Egypt and Israel and Related Agreements, and for Other Purposes*, 96th Cong., 1st sess., 1979, H. Doc. 96-91, pp. 1-2; Weizmann, *Battle for Peace*, p. 323.

44. Ltr, Carter to O'Neill, 9 Apr 79.

45. *Commerce Business Daily*, 13 Apr 79; Bazilwich interview.

46. Information Paper, DAEN-MPC, 11 Apr 79, sub: Air Base Construction for the Government of Israel, IABPC, 6/1; Ltr, Burnell to Johnson, 13 Apr 79, sub: Selection Procedures for Management Support Contractor and Design and Construction Contractors for Air Base Construction in Israel, IABPC, 6/1; *Commerce Business Daily*, 13 Apr 79.

47. *ENR* 202 (26 April 1979): 10; *New York Post*, 20 Apr 79; *The Jewish Week-American Examiner*, 29 Apr 79; *International Construction Week* 8 (30 April 1979); Schweizer interview. The *Commerce Business Daily* notices listed the same four criteria for both types of contracts: specialized experience; capacity to accomplish the work; quality of past performance, particularly on relevant Department of Defense contracts; and proposed organizational structure and management approach.

48. Telecon transcript 2, 20 Apr 79, IABPC, 10/3; *Washington Post*, 21 Apr 79; Orientation for Israeli Airbase Construction, 20 Apr 79, IABPC, 11/2.

49. In addition to Jezior, the board included Stanley Fafinski, assistant chief of the engineering division, New York District; Patrick R. Fiscina, chief of the military section in the engineering division, NAD; James V. Gruttadauria, chief of the quality assurance branch, engineering division, NAD; and J. G. Starr from Norfolk District.

50. DF, Selection Board to Johnson, 3 May 79, sub: Selection of a Contractor for Management Support Activities in Connection with the Design and Construction of Two Airbases in the Negev Region of Israel, IABPC, 6/1; Ltr, Johnson to Morris, 4 May 79, sub: Request for Approval of Management Support Contractor Selection, IABPC, 6/1; NAD News Release 79-1, 7 May 79, NAD PAO files; *International Construction Newsletter* 4 (May 1979): 1, 7.

51. Ltr, Jordan L. Gruzen, GSCA, to Honorable Jacob R. Javits, 26 Apr 79, METG files; Ltr, Javits to Jack L. Stempler, Assistant to the Secretary of Defense (Legislative Affairs), 4 May 79, METG files.

52. Ltr, Johnson to Morris, 4 May 79; Telecon transcript 7, 7 May 79, IABPC, 10/3; Telecon transcript 8, 8 May 79, IABPC, 10/3; *Wall Street Journal*, 22 May 79.

53. Jezior interview; Schweizer interview; *ENR* 202 (24 May 79): 40-41; *Washington Post*, 21 Apr 79.

54. Schweizer's board included Stockman, Lellis, Schroer, and G. A. Dohmeier.

55. *ENR* 202 (24 May 79): 40-41; *Wall Street Journal*, 18 May 79; NAD News Release 79-2, 17 May 79; Walter McQuade, "A Construction Job That Will Help Buy Peace," *Fortune* 100 (16 June 1979): 65.

56. *Jerusalem Post*, 10 Jul 79; (Tel Aviv) *Ma'ariv*, 13 Jun 80.

57. Ltr, David B. Perini to Maj Gen Johnson, 10 Jul 79; Ltr, Perini to Col Clarence D. Gilkey, 11 Jul 79; Ltr, Nathan Perlmutter, Director, Anti-Defamation League of B'nai Brith, to Perini, 17 Jul 79; Ltr, Charles J. Patterson, Vice President for Corporate Relations, Perini Corporation, to George Grimes, NAD Public Affairs Officer, 24 Jul 79; Ltr, Maj Gen Bennett L. Lewis to Perini, 25 Jul 79. All in IABPC, 10/3.

58. AR 310-25, *Military Publications: Dictionary of United States Army Terms*, Change 1 (Washington, D.C.: HQDA, 12 Apr 77), p. 152.

59. ER 1180-1-1, *Contracts: Engineer Contract Instructions* (Washington, D.C.: OCE, 1 Dec 69), pp. 3-7.

60. Information Paper, DAEN-MPC-F, 24 Apr 79, sub: Israeli Air Fields, IABPC, 90/6; U.S. Congress, Senate, Committee on Foreign Relations, Hearings Before the Committee on Foreign Relations, United States Senate, to Hear Administration Officials on the Middle East Peace Package, 11 Apr 11 1979, pp. 26-27, DSAA files.

61. U.S. Congress, House of Representatives, Committee on Foreign Affairs, Hearings Before the Subcommittee on International Security and Scientific Affairs and the Subcommittee on Europe and the Middle East of the Committee on Foreign Affairs, House of Representatives. Special International Security Assistance Act of 1979, the Egyptian-Israeli Treaty and the Upcoming Peace Negotiations. 26 April 1979, pp. 10-11, 47, DSAA files.

62. 93 Stat. 89.

63. 93 Stat. 97.

64. USAF Office of Information Biography, Antonia Handler Chayes, Under Secretary, U.S. Air Force [1979], in Office of Air Force History, Bolling Air Force Base; Memo (unsigned), Lt Gen Ernest Graves, Jr., n.d., sub: Management of Israeli Air Base Construction, Encl to Memo, Graves for COE (Lt Gen John W. Morris), 14 May 79, File 1501-07, IABP files, DAEN-MPC-G.

65. Memo (unsigned), Graves, sub: Management of Israeli Air Base Construction.

66. Draft memo, DSD to SA and SAF, sub: Israeli Air Base Construction—Action Memorandum, Tab B to Memo (unsigned), Graves, sub: Management of Israeli Air Base Construction; Draft memo, DSD to SA and SAF, sub: Israeli Air Base Construction—Action Memorandum, Tab C to Memo (unsigned), Graves, sub: Management of Israeli Air Base Construction.

67. Draft memo, DSD to SA and SAF, sub: Israeli Air Base Construction—Action Memorandum, Tab D to Memo (unsigned), Graves, sub: Management of Israeli Air Base Construction.

68. Memo (unsigned), Graves, sub: Management of Israeli Air Base Construction.

69. Ibid.; Memo, Graves for COE, 14 May 79; Memo, Morris for SA, 15 May 79, sub: Management of Israeli Air Base Construction—Information Memorandum, File 1501-07, IABP files, DAEN-MPC-G.

70. Memo, Fliakis for ASA (IL&FM) and ASAF (MRA&L), 17 May 79, sub: Israeli Air Base Construction; MFR, Morris, 7 Jun 79, sub: Management of Israeli Air Base Construction Program, File 1501-07, IABP files, DAEN-MPC-G.

71. MFR, Morris, 7 Jun 79, sub: Management of Israeli Air Base Construction Program; Interv (telephone), author with Bates C. Burnell, Nov 83; Johnson interview; Morris interview.

72. MOU, DAEN-PRZ (Theodore Henningsen) to DAEN-MPC, 22 Jun 79, sub: Memorandum of Understanding Between the DOD Agencies in the Israeli Air Base Construction Program, Tab B, Executive, DAEN-MP, routing slip to EDES, 22 Jun 79, File 1501-07, IABP files, DAEN-MPC-G; NAD, Draft Memorandum of Understanding, Tab E to Executive, DAEN-MP, routing slip to EDES, 22 Jun 79.

73. Memo, Maj Gen William R. Wray, through CS, U.S. Army, and ASA (IL&FM), for ASD (MRA&L), 27 Jun 79, sub: Memorandum of Understanding Between DOD Agencies in Israeli Air Base Construction Program—Decision Memorandum, File 1501-07, IABP files, DAEN-MPC-G.

74. Ltr, Chayes to McGiffert, 6 Jul 79, sub: Israeli Air Base Construction, Encl to Memo, Graves for Morris, 9 Jul 79, File 1501-07, IABP files, DAEN-MPC-G;

Chayes note to McGiffert, n.d. [c. 6–9 Jul 79], cover for Memo, Chayes for ASD (ISA), 6 Jul 79, sub: Israeli Air Base Construction.

75. Brig Gen John F. Wall comments on Memo, Chayes for ASD (ISA), 6 Jul 79, sub: Israeli Air Base Construction; alternative paragraph on funding attached to Memo, Chayes for ASD (ISA), 6 Jul 79, sub: Israeli Air Base Construction.

76. Memo, Joe F. Meis, Acting ASAF (MRA&I), for DASD (I&H), OASD (MRA&L), 16 Jul 79, sub: Memorandum of Understanding Between DOD Agencies in the Israeli Air Base Construction Program—Decision Memorandum, File 1501–07, IABP files, DAEN-MPC-G; Wray and Gilbert, Memorandum of Understanding Between the DOD Agencies in the Israeli Air Base Construction Program, 25 Jul 79, IABPC, 11/2.

77. The specific laws included Title IX of the Federal Property and Administrative Services Act of 1949, as amended, 86 *Stat.* 1278; Section 612 of the Military Construction Authorization Act of 1949, as amended, 80 *Stat.* 756; Section 719 of the Defense Production Act of 1950, as amended, 84 *Stat.* 796; and Section 111 of the Federal Property and Administrative Services Act of 1949, as amended, 79 *Stat.* 1127.

78. Ltr, Deanne C. Siemer, General Counsel, DOD, to William M. Nichols, General Counsel, OMB, 8 Aug 79, sub: Department of Defense Executive Order Document 240, DAEN-MPC-G files.

79. 93 *Stat.* 90.

80. EO 12178, 10 Dec 79, in *Public Papers of the Presidents of the United States: Jimmy Carter, 1979* (Washington, D.C.: GPO, 1980), p. 2220.